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11 UNITED STATES OF AMERICA

12 UNITED STATES DISTRICT COURT

13 FOR THE CENTRAL DISTRICT OF CALIFORNIA

14 UNITED STATES OF AMERICA,

No. CR 2:23-cr-00284-SPG

15 Plaintiff,

PLEA AGREEMENT FOR DEFENDANT
WILLIAM ERIC FULTON

16 v.

17 WILLIAM ERIC FULTON,
aka "Eric Fulton,"

18 Defendant.

20

21 1. This constitutes the plea agreement between WILLIAM ERIC
22 FULTON, also known as "Eric Fulton," ("defendant") and the United
23 States Attorney's Office for the Central District of California (the
24 "USAO") in the investigation of defendant's conduct with respect to
25 the Nix Gambling Business, as defined below. This agreement is
26 limited to the USAO and cannot bind any other federal, state, local,
27 or foreign prosecuting, enforcement, administrative, or regulatory
28 authorities.

DEFENDANT'S OBLIGATIONS

2. Defendant agrees to:

a. Give up the right to indictment by a grand jury and, at the earliest opportunity requested by the USAO and provided by the Court, appear and plead guilty to a single-count information in the form attached to this agreement as Exhibit A or a substantially similar form, which charges defendant with Making False Statements, in violation of 18 U.S.C. § 1001(a)(2).

b. Not contest facts agreed to in this agreement.

10 c. Abide by all agreements regarding sentencing contained
11 in this agreement.

12 d. Appear for all court appearances, surrender as ordered
13 for service of sentence, obey all conditions of any bond, and obey
14 any other ongoing court order in this matter.

15 e. Not commit any crime; however, offenses that would be
16 excluded for sentencing purposes under United States Sentencing
17 Guidelines ("USSG" or "Sentencing Guidelines") § 4A1.2(c) are not
18 within the scope of this agreement.

19 f. Be truthful at all times with the United States
20 Probation and Pretrial Services Office and the Court.

21 g. Pay the applicable special assessment at or before the
22 time of sentencing unless defendant has demonstrated a lack of
23 ability to pay such assessments.

24 h. Recommend that defendant receive, as part of his
25 sentence, a fine in an amount no less than \$673,290 and not argue, or
26 suggest in any way, either orally or in writing, that a lower fine
27 amount be imposed.

i. Agree, pursuant to USSG § 1B1.2(c), that the applicable offense guideline section for defendant's offense is USSG § 2S1.1.

THE USAO'S OBLIGATIONS

3. The USAO agrees to:

a. Not contest facts agreed to in this agreement.

b. Abide by all agreements regarding sentencing contained in this agreement.

c. At the time of sentencing, provided that defendant demonstrates an acceptance of responsibility for the offense up to and including the time of sentencing, recommend a two-level reduction in the applicable Sentencing Guidelines offense level, pursuant to USSG § 3E1.1, and recommend and, if necessary, move for an additional one-level reduction if available under that section.

d. Except for criminal tax violations (including conspiracy to commit such violations chargeable under 18 U.S.C. § 371), not further criminally prosecute defendant for violations of 18 U.S.C. §§ 1956 or 1957 arising out of defendant's conduct described in the agreed-to factual basis set forth in paragraph 9 below. Defendant understands that the USAO is free to criminally prosecute defendant for any other unlawful past conduct or any unlawful conduct that occurs after the date of this agreement.

Defendant agrees that at the time of sentencing the Court may consider the uncharged conduct in determining the applicable Sentencing Guidelines range, the propriety and extent of any departure from that range, and the sentence to be imposed after consideration of the Sentencing Guidelines and all other relevant factors under 18 U.S.C. § 3553(a).

NATURE OF THE OFFENSE

4. Defendant understands that for defendant to be guilty of the crime charged in the single-count information, that is, Making False Statements, in violation of Title 18, United States Code, Section 1001(a)(2), the following must be true:

a. Defendant made a false statement;

b. The statement was made in a matter within the jurisdiction of a federal law enforcement agency;

c. The defendant acted willfully; that is, the defendant acted deliberately and with knowledge both that the statement was untrue and that his conduct was unlawful; and

d. The statement was material to the activities or decisions of the law enforcement agency; that is, it had a natural tendency to influence, or was capable of influencing, the agency's decisions or activities.

PENALTIES

5. Defendant understands that the statutory maximum sentence that the Court can impose for a violation of 18 U.S.C. § 1001(a)(2), is: five years' imprisonment; a three-year period of supervised release; a fine of \$250,000 or twice the gross gain or gross loss resulting from the offense, whichever is greatest; and a mandatory special assessment of \$100.

6. Defendant understands that supervised release is a period of time following imprisonment during which defendant will be subject to various restrictions and requirements. Defendant understands that if defendant violates one or more of the conditions of any supervised release imposed, defendant may be returned to prison for all or part of the term of supervised release authorized by statute for the

1 offense that resulted in the term of supervised release, which could
2 result in defendant serving a total term of imprisonment greater than
3 the statutory maximum stated above.

4 7. Defendant understands that, by pleading guilty, defendant
5 may be giving up valuable government benefits and valuable civic
6 rights, such as the right to vote, the right to possess a firearm,
7 the right to hold office, and the right to serve on a jury. Defendant
8 understands that he is pleading guilty to a felony and that it is a
9 federal crime for a convicted felon to possess a firearm or
10 ammunition. Defendant understands that the conviction in this case
11 may also subject defendant to various other collateral consequences,
12 including but not limited to revocation of probation, parole, or
13 supervised release in another case and suspension or revocation of a
14 professional license. Defendant understands that unanticipated
15 collateral consequences will not serve as grounds to withdraw
16 defendant's guilty plea.

17 8. Defendant understands that, if defendant is not a United
18 States citizen, the felony conviction in this case may subject
19 defendant to: removal, also known as deportation, which may, under
20 some circumstances, be mandatory; denial of citizenship; and denial
21 of admission to the United States in the future. The Court cannot,
22 and defendant's attorney also may not be able to, advise defendant
23 fully regarding the immigration consequences of the felony conviction
24 in this case. Defendant understands that unexpected immigration
25 consequences will not serve as grounds to withdraw defendant's guilty
26 plea.

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FACTUAL BASIS

2 9. Defendant admits that defendant is, in fact, guilty of the
3 offense to which defendant is agreeing to plead guilty. Defendant
4 and the USAO agree to the statement of facts provided below and agree
5 that this statement of facts is sufficient to support a plea of
6 guilty to the charge described in this agreement and to establish the
7 Sentencing Guidelines factors set forth in paragraph 11 below but is
8 not meant to be a complete recitation of all facts relevant to the
9 underlying criminal conduct or all facts known to either party that
10 relate to that conduct.

At times relevant to the Information:

12 The Department of Homeland Security, Homeland Security
13 Investigations ("HSI") and the Internal Revenue Service - Criminal
14 Investigation Division ("IRS-CI") in Los Angeles and the United
15 States Attorney's Office ("USAO") for the Central District of
16 California were conducting a federal criminal investigation into
17 federal crimes, including illegal sports gambling and money
18 laundering (the "Federal Investigation").

19 Wayne Nix was a minor league baseball player from 1995 to 2001.
20 Sometime after 2001, Nix began operating an illegal bookmaking
21 business in the Los Angeles area that accepted and paid off bets from
22 bettors in California and elsewhere in the United States based on the
23 outcomes of sporting events at agreed-upon odds (the "Nix Gambling
24 Business"). Through contacts he had developed during his own career
25 in professional sports, Nix created a client list of current and
26 former professional athletes, and others. Nix used agents, including
27 Agents 1 and 2, to place and accept bets from others for the Nix
28 Gambling Business, thus expanding the business. As part of the Nix

1 Gambling Business, Nix and his agents used a website called Sand
2 Island Sports to create accounts through which wagers would be placed
3 and tracked.

4 Defendant was the founder and senior partner at a financial
5 services company ("The Company"). The Company provided bookkeeping,
6 accounting, and tax preparation services to its clients. Those
7 clients included Nix, Agent 1, and Agent 2. Specifically, The
8 Company provided bookkeeping and accounting services to Nix and Agent
9 1, in which it paid their bills and transferred money between
10 accounts. Defendant also provided tax preparation services to Agent
11 2. Nix had a personal and business account with Wells Fargo Bank.
12 Nix used the Wells Fargo business account, which was in the name
13 "Nixy Enterprises," for the gambling business. Defendant was an
14 authorized signer for both accounts and prepared and signed checks
15 for the accounts on Nix's behalf.

16 The Nixy Enterprises bank account lacked activity consistent
17 with a legitimate business. There were no typical business expenses
18 or income. Most of the bank activity came in the form of deposits
19 and personal expenses such as car payments, travel, and food. Nix's
20 gambling clients typically deposited cash and wired money directly to
21 the Nixy Enterprises account. Nix's clients would also send personal
22 checks and cashier's checks to Nix and/or The Company. The "Pay to
23 the Order of" and memo lines of the personal checks were typically
24 left blank, except for a player in the National Football League who
25 wrote "investment" on the memo line of two checks.

26 Beginning no later than 2011, defendant was aware that Nix ran
27 an illegal gambling business. Defendant nonetheless knowingly
28 laundered Nix's illicit gambling proceeds by continuing to provide

1 financial services to Nix and providing access to the financial
2 system. Specifically, defendant continued to transfer money between
3 accounts, issue checks and wires to Nix's gambling clients who won
4 large bets, and helped Nix obtain bank loans to facilitate the
5 gambling business. Between 2010 and 2020, defendant charged Nix
6 approximately \$336,645 in professional fees for his financial
7 services.

8 In addition, defendant further participated in the gambling
9 business by providing three personal loans to Nix totaling \$1,250,000
10 to allow Nix to pay his gambling clients when Nix needed rapid access
11 to liquid funds, which defendant agreed to provide at no cost to Nix.
12 Specifically, On March 23, 2011, defendant wired \$500,000 from his
13 personal account at City National Bank to Nixy Enterprises. Next, on
14 March 6, 2018, defendant wired Nix another \$250,000. Three days
15 later, The Company wired \$250,000 from Nix's account to one of Nix's
16 clients. Finally, on October 10, 2019, defendant sent a \$500,000
17 wire from his personal account directly to another of Nix's gambling
18 clients. Defendant knew the purpose of all three loans was to allow
19 Nix to pay his gambling clients.

20 Defendant also placed personal bets with Nix. For example, on
21 November 12, 2016, Nix sent a text message to defendant and provided
22 him the URL for the Sand Island Sports website. Defendant replied,
23 "Thanks...what's my username." Nix replied, "R159." That same day,
24 defendant placed 14 bets, including three bets on a professional
25 match of a client of The Company.

26 In addition, defendant also referred at least one client of The
27 Company to Nix for the purposes of illegal gambling. Specifically,
28 on August 10, 2018, a client of The Company emailed defendant and

1 asked for the name of defendant's "sports bookie." That same day,
2 defendant sent Nix a text message and asked, "[a]re you taking on new
3 clients[.] One of my celebrity clients needs your help but doubt
4 he'll be a significant client." Defendant then provided Nix the name
5 of his celebrity client, and Nix told defendant to provide Nix's name
6 and phone number to the celebrity client.

7 On October 8, 2021, defendant was interviewed in the presence of
8 his attorney by HSI, IRS-CI, and the USAO regarding the Federal
9 Investigation. At the beginning of the interview, a Special Agent
10 from IRS-CI admonished defendant that lying to federal law
11 enforcement agents is a crime, and defendant stated that he
12 understood. During the interview, defendant made several false
13 statements to the agents that he knew were false and were material to
14 the investigation. For example, defendant stated that he believed
15 Nix was a consultant or concierge and denied all knowledge of Nix's
16 involvement in Sports Gambling and the Sand Island Sports website.
17 Defendant also stated that he had no knowledge that Nix was a
18 bookmaker until Nix called him and told him that law enforcement
19 searched his home on February 7, 2020. Defendant also repeatedly
20 stated that he never placed a bet with Nix.

21 SENTENCING FACTORS

22 10. Defendant understands that in determining defendant's
23 sentence the Court is required to calculate the applicable Sentencing
24 Guidelines range and to consider that range, possible departures
25 under the Sentencing Guidelines, and the other sentencing factors set
26 forth in 18 U.S.C. § 3553(a). Defendant understands that the
27 Sentencing Guidelines are advisory only, that defendant cannot have
28 any expectation of receiving a sentence within the calculated

Sentencing Guidelines range, and that after considering the Sentencing Guidelines and the other § 3553(a) factors, the Court will be free to exercise its discretion to impose any sentence it finds appropriate up to the maximum set by statute for the crime of conviction.

11. Defendant and the USAO agree to the following applicable Sentencing Guidelines factors:

Base Offense Level: 12 USSG §§ 2S1.1(a)(1); 2E3.1(a)(2);

1B1.2 (a)

Defendant and the USAO reserve the right to argue that additional specific offense characteristics, adjustments, and departures under the Sentencing Guidelines are appropriate.

12. Defendant understands that there is no agreement as to defendant's criminal history or criminal history category.

13. Defendant and the USAO reserve the right to argue for a sentence outside the sentencing range established by the Sentencing Guidelines based on the factors set forth in 18 U.S.C. § 3553(a)(1), (a)(2), (a)(3), (a)(6), and (a)(7).

WAIVER OF CONSTITUTIONAL RIGHTS

14. Defendant understands that by pleading guilty, defendant gives up the following rights:

- a. The right to persist in a plea of not guilty.
 - b. The right to a speedy and public trial by jury.
 - c. The right to be represented by counsel -- and if

necessary, have the Court appoint counsel -- at trial. Defendant understands, however, that, defendant retains the right to be represented by counsel -- and if necessary, have the Court appoint counsel -- at every other stage of the proceeding.

d. The right to be presumed innocent and to have the burden of proof placed on the government to prove defendant guilty beyond a reasonable doubt.

e. The right to confront and cross-examine witnesses against defendant.

f. The right to testify and to present evidence in opposition to the charges, including the right to compel the attendance of witnesses to testify.

g. The right not to be compelled to testify, and, if defendant chose not to testify or present evidence, to have that choice not be used against defendant.

h. Any and all rights to pursue any affirmative defenses, Fourth Amendment or Fifth Amendment claims, and other pretrial motions that have been filed or could be filed.

WAIVER OF APPEAL OF CONVICTION

15. Defendant understands that, with the exception of an appeal based on a claim that defendant's guilty plea was involuntary, by pleading guilty defendant is waiving and giving up any right to appeal defendant's conviction on the offense to which defendant is pleading guilty. Defendant understands that this waiver includes, but is not limited to, arguments that the statute to which defendant is pleading guilty is unconstitutional, and any and all claims that the statement of facts provided herein is insufficient to support defendant's plea of guilty.

LIMITED MUTUAL WAIVER OF APPEAL OF SENTENCE

16. Defendant agrees that, provided the Court imposes a term of imprisonment within or below the range corresponding to an offense level of 10 and the criminal history category calculated by the

1 Court, defendant gives up the right to appeal all of the following:
2 (a) the procedures and calculations used to determine and impose any
3 portion of the sentence, with the exception of the Court's
4 calculation of defendant's criminal history category; (b) the term of
5 imprisonment imposed by the Court, except to the extent it depends on
6 the Court's calculation of defendant's criminal history category;
7 (c) the fine imposed by the Court, provided it is within the
8 statutory maximum; (d) to the extent permitted by law, the
9 constitutionality or legality of defendant's sentence, provided it is
10 within the statutory maximum; (e) the term of probation or supervised
11 release imposed by the Court, provided it is within the statutory
12 maximum; and (f) any of the following conditions of probation or
13 supervised release imposed by the Court: the conditions set forth in
14 Second Amended General Order 20-04 of this Court; the drug testing
15 conditions mandated by 18 U.S.C. §§ 3563(a)(5) and 3583(d); and the
16 alcohol and drug use conditions authorized by 18 U.S.C. § 3563(b)(7).

17 17. Defendant also gives up any right to bring a post-
18 conviction collateral attack on the conviction or sentence, except a
19 post-conviction collateral attack based on a claim of ineffective
20 assistance of counsel, a claim of newly discovered evidence, or an
21 explicitly retroactive change in the applicable Sentencing
22 Guidelines, sentencing statutes, or statutes of conviction.
23 Defendant understands that this waiver includes, but is not limited
24 to, arguments that the statute to which defendant is pleading guilty
25 is unconstitutional, and any and all claims that the statement of
26 facts provided herein is insufficient to support defendant's plea of
27 guilty.

1 18. The USAO agrees that, provided (a) all portions of the
2 sentence are at or below the statutory maximum specified above and
3 (b) the Court imposes a term of imprisonment within or above the
4 range corresponding to an offense level of 10 and the criminal
5 history category calculated by the Court, the USAO gives up its right
6 to appeal any portion of the sentence.

RESULT OF WITHDRAWAL OF GUILTY PLEA

8 19. Defendant agrees that if, after entering a guilty plea
9 pursuant to this agreement, defendant seeks to withdraw and succeeds
10 in withdrawing defendant's guilty plea on any basis other than a
11 claim and finding that entry into this plea agreement was
12 involuntary, then (a) the USAO will be relieved of all of its
13 obligations under this agreement; and (b) should the USAO choose to
14 pursue any charge that was either dismissed or not filed as a result
15 of this agreement, then (i) any applicable statute of limitations
16 will be tolled between the date of defendant's signing of this
17 agreement and the filing commencing any such action; and
18 (ii) defendant waives and gives up all defenses based on the statute
19 of limitations, any claim of pre-indictment delay, or any speedy
20 trial claim with respect to any such action, except to the extent
21 that such defenses existed as of the date of defendant's signing this
22 agreement.

EFFECTIVE DATE OF AGREEMENT

24 20. This agreement is effective upon signature and execution of
25 all required certifications by defendant, defendant's counsel, and an
26 Assistant United States Attorney.

BREACH OF AGREEMENT

2 21. Defendant agrees that if defendant, at any time after the
3 effective date of his agreement, knowingly violates or fails to
4 perform any of defendant's obligations under this agreement ("a
5 breach"), the USAO may declare this agreement breached. All of
6 defendant's obligations are material, a single breach of this
7 agreement is sufficient for the USAO to declare a breach, and
8 defendant shall not be deemed to have cured a breach without the
9 express agreement of the USAO in writing. If the USAO declares this
10 agreement breached, and the Court finds such a breach to have
11 occurred, then: (a) if defendant has previously entered a guilty plea
12 pursuant to this agreement, defendant will not be able to withdraw
13 the guilty plea, and (b) the USAO will be relieved of all its
14 obligations under this agreement.

15 22. Following the Court's finding of a knowing breach of this
16 agreement by defendant, should the USAO choose to pursue any charge
17 that was either dismissed or not filed as a result of this agreement,
18 then:

19 a. Defendant agrees that any applicable statute of
20 limitations is tolled between the date of defendant's signing of this
21 agreement and the filing commencing any such action.

22 b. Defendant waives and gives up all defenses based on
23 the statute of limitations, any claim of pre-indictment delay, or any
24 speedy trial claim with respect to any such action, except to the
25 extent that such defenses existed as of the date of defendant's
26 signing this agreement.

27 c. Defendant agrees that: (i) any statements made by
28 defendant, under oath, at the guilty plea hearing (if such a hearing

1 occurred prior to the breach); (ii) the agreed to factual basis
2 statement in this agreement; and (iii) any evidence derived from such
3 statements, shall be admissible against defendant in any such action
4 against defendant, and defendant waives and gives up any claim under
5 the United States Constitution, any statute, Rule 410 of the Federal
6 Rules of Evidence, Rule 11(f) of the Federal Rules of Criminal
7 Procedure, or any other federal rule, that the statements or any
8 evidence derived from the statements should be suppressed or are
9 inadmissible.

10 COURT AND UNITED STATES PROBATION AND PRETRIAL SERVICES

11 OFFICE NOT PARTIES

12 23. Defendant understands that the Court and the United States
13 Probation and Pretrial Services Office are not parties to this
14 agreement and need not accept any of the USAO's sentencing
15 recommendations or the parties' agreements to facts or sentencing
16 factors.

17 24. Defendant understands that both defendant and the USAO are
18 free to: (a) supplement the facts by supplying relevant information
19 to the United States Probation and Pretrial Services Office and the
20 Court, (b) correct any and all factual misstatements relating to the
21 Court's Sentencing Guidelines calculations and determination of
22 sentence, and (c) argue on appeal and collateral review that the
23 Court's Sentencing Guidelines calculations and the sentence it
24 chooses to impose are not error, although each party agrees to
25 maintain its view that the calculations in paragraph 11 are
26 consistent with the facts of this case. While this paragraph permits
27 both the USAO and defendant to submit full and complete factual
28 information to the United States Probation and Pretrial Services

1 Office and the Court, even if that factual information may be viewed
2 as inconsistent with the facts agreed to in this agreement, this
3 paragraph does not affect defendant's and the USAO's obligations not
4 to contest the facts agreed to in this agreement.

5 25. Defendant understands that even if the Court ignores any
6 sentencing recommendation, finds facts or reaches conclusions
7 different from those agreed to, and/or imposes any sentence up to the
8 maximum established by statute, defendant cannot, for that reason,
9 withdraw defendant's guilty plea, and defendant will remain bound to
10 fulfill all defendant's obligations under this agreement. Defendant
11 understands that no one -- not the prosecutor, defendant's attorney,
12 or the Court -- can make a binding prediction or promise regarding
13 the sentence defendant will receive, except that it will be within
14 the statutory maximum.

15 NO ADDITIONAL AGREEMENTS

16 26. Defendant understands that, except as set forth herein,
17 there are no promises, understandings, or agreements between the USAO
18 and defendant or defendant's attorney, and that no additional
19 promise, understanding, or agreement may be entered into unless in a
20 writing signed by all parties or on the record in court.

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1 PLEA AGREEMENT PART OF THE GUILTY PLEA HEARING

2 27. The parties agree that this agreement will be considered
3 part of the record of defendant's guilty plea hearing as if the
4 entire agreement had been read into the record of the proceeding.

5 AGREED AND ACCEPTED

6 UNITED STATES ATTORNEY'S OFFICE
7 FOR THE CENTRAL DISTRICT OF
CALIFORNIA

8 E. MARTIN ESTRADA
United States Attorney

9 /s/ Jeff Mitchell

10 6/6/2023

11 JEFF MITCHELL
12 Assistant United States Attorney

13 WILLIAM ERIC FULTON
Defendant

14 VICKI I. PODBERESKY
15 Attorney for Defendant
William Eric Fulton

16 Date

17 5-25-23

18 Date

19 5-26-23

20 Date

21 CERTIFICATION OF DEFENDANT

22 I have read this agreement in its entirety. I have had enough
time to review and consider this agreement, and I have carefully and
thoroughly discussed every part of it with my attorney. I understand
the terms of this agreement, and I voluntarily agree to those terms.
I have discussed the evidence with my attorney, and my attorney has
advised me of my rights, of possible pretrial motions that might be
filed, of possible defenses that might be asserted either prior to or
at trial, of the sentencing factors set forth in 18 U.S.C. § 3553(a),
of relevant Sentencing Guidelines provisions, and of the consequences

1 of entering into this agreement. No promises, inducements, or
2 representations of any kind have been made to me other than those
3 contained in this agreement. No one has threatened or forced me in
4 any way to enter into this agreement. I am satisfied with the
5 representation of my attorney in this matter, and I am pleading
6 guilty because I am guilty of the charge and wish to take advantage
7 of the promises set forth in this agreement, and not for any other
8 reason.

9 
10 WILLIAM ERIC FULTON

Defendant

Date

5-25-23

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15 CERTIFICATION OF DEFENDANT'S ATTORNEY

16 I am William Eric Fulton's attorney. I have carefully and
17 thoroughly discussed every part of this agreement with my client.
18 Further, I have fully advised my client of his rights, of possible
19 pretrial motions that might be filed, of possible defenses that might
20 be asserted either prior to or at trial, of the sentencing factors
21 set forth in 18 U.S.C. § 3553(a), of relevant Sentencing Guidelines
22 provisions, and of the consequences of entering into this agreement.
23 To my knowledge: no promises, inducements, or representations of any
24 kind have been made to my client other than those contained in this
25 agreement; no one has threatened or forced my client in any way to
26 enter into this agreement; my client's decision to enter into this
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1 agreement is an informed and voluntary one; and the factual basis set
2 forth in this agreement is sufficient to support my client's entry of
3 a guilty plea pursuant to this agreement.

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5 VICKI I. PODBERESKY
6 Attorney for Defendant
William Eric Fulton

5/26/23

Date

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EXHIBIT

UNITED STATES DISTRICT COURT

FOR THE CENTRAL DISTRICT OF CALIFORNIA

UNITED STATES OF AMERICA,

CR No. 2:23-cr-00284-SPG

Plaintiff,

I N F O R M A T I O N

v.

[18 U.S.C. § 1001(a)(2): Making
False Statements]

WILLIAM ERIC FULTON,
aka "Eric Fulton,"

Defendant.

The United States Attorney charges:

[18 U.S.C. § 1001(a)(2)]

A. INTRODUCTIONARY ALLEGATIONS

At times relevant to this Information:

1. Defendant WILLIAM ERIC FULTON, also known as "Eric Fulton," was an accounting professional and the founder of and senior partner at a financial services company ("The Company"). The Company provided bookkeeping, accounting, and tax preparation services to its clients.

1 2. The Department of Homeland Security, Homeland Security
2 Investigations ("HSI") and the Internal Revenue Service - Criminal
3 Investigation Division ("IRS-CI") in Los Angeles and the United
4 States Attorney's Office ("USAO") for the Central District of
5 California were conducting a criminal investigation into federal
6 crimes, including illegal sports gambling and money laundering (the
7 "Federal Investigation").

8 3. The operation of a sports gambling business in California
9 was prohibited by 18 U.S.C. § 1955 and California Penal Code § 337a.

10 The Wayne Nix Illegal Sports Gambling Business

11 4. Wayne Nix was a resident of Orange County, California. Nix
12 was a minor league baseball player from 1995 to 2001.

13 5. Sometime after 2001, Nix began operating an illegal
14 bookmaking business in the Los Angeles area that accepted and paid
15 off bets from bettors in California and elsewhere in the United
16 States based on the outcomes of sporting events at agreed-upon odds
17 (the "Nix Gambling Business"). Through contacts he had developed
18 during his own career in professional sports, Nix created a client
19 list that included current and former professional athletes and
20 others.

21 6. Nix used agents to place and accept bets from others for
22 the Nix Gambling Business, including Agents 1 and 2.

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1 7. Sand Island Sports operated Internet sports gambling
2 websites, including www.sandislandsports.com and www.betprestige.com
3 (the "Sand Island Sports websites"), hosted on servers primarily
4 located outside the United States. The Sand Island Sports websites
5 facilitated unlawful sports gambling by providing a platform to book
6 makers to track bets placed by their clients.

7 8. Nix provided bettors with account numbers and passwords for
8 the Sand Island Sports websites and directed the bettors to use the
9 Sand Island Sports websites to place bets with the Nix Gambling
10 Business.

11 9. Bettors would place bets online through the Sand Island
12 Sports websites, and through Nix, Agent 1, Agent 2, and others
13 working at Nix's direction.

14 Defendant Provided Financial Services to Nix's Gambling Business

15 10. In approximately 2010, defendant FULTON met Nix and began
16 providing financial services to Nix. Defendant FULTON also provided
17 financial services to Agents 1 and 2.

18 11. Defendant FULTON and The Company provided bookkeeping and
19 accounting services to Nix and Agent 1, including paying their bills
20 and transferring money between accounts.

21 12. Nix maintained a personal account and a business account
22 with Wells Fargo Bank. Nix used his Wells Fargo business account for
23 the gambling business. Defendant FULTON was an authorized signer
24 for both accounts and prepared and signed checks for the accounts on
25 Nix's behalf.

1 13. Beginning no later than 2011, defendant FULTON was aware
2 that Nix ran an illegal gambling business. Defendant FULTON
3 nonetheless knowingly laundered Nix's illicit gambling proceeds by
4 continuing to provide financial services to Nix and providing access
5 to the financial system. Defendant FULTON continued to transfer
6 money between accounts, issued checks and wires to Nix's gambling
7 clients who won large bets, and helped Nix obtain bank loans to
8 facilitate the gambling business.

9 Defendant Fulton Provided Loans to the Nix Gambling Business

10 14. Defendant FULTON further participated in the gambling
11 business by providing three personal loans to Nix totaling \$1,250,000
12 to allow Nix to pay his gambling clients when Nix needed rapid access
13 to liquid funds, which defendant FULTON agreed to provide at no cost
14 to Nix. Defendant FULTON knew the purpose of all three loans was to
15 allow Nix to pay his gambling clients.

16 Defendant FULTON's Use of the Nix Gambling Business

17 15. On November 12, 2016, defendant FULTON received a Sand
18 Island Sports account from Nix. That same day, defendant FULTON
19 placed 14 bets, including three bets on a professional match of a
20 client of The Company.

21 Investigation into Wayne Nix

22 16. On October 8, 2021, defendant FULTON was interviewed in the
23 presence of his attorney by HSI, IRS-CI, and the USAO in connection
24 with the Federal Investigation and services provided by The Company
25 to Nix. Defendant FULTON, through his counsel, requested that HSI
26 not record the interview.

1 17. At the beginning of the interview, a Special Agent from
2 IRS-CI admonished defendant FULTON that lying to federal law
3 enforcement agents was a crime, and defendant FULTON stated that he
4 understood.

5 B. FALSE STATEMENTS

6 18. On or about October 8, 2021, in Los Angeles County, within
7 the Central District of California, in an interview affecting the
8 Federal Investigation in the Central District of California, and in a
9 matter
10 within the jurisdiction of the executive branch of the government of
11 the United States, namely, HSI, IRS-CI, and the USAO, defendant
12 FULTON knowingly and willfully made materially false statements and
13 representations to HSI, IRS-CI, and the USAO knowing that these
14 statements and representations were untrue:

15 (a) Defendant FULTON falsely stated that Nix was a
16 consultant or concierge. In fact, as defendant FULTON then knew, Nix
17 ran an illegal bookmaking business, defendant FULTON had provided Nix
18 several personal loans to allow Nix to pay his gambling clients, and
19 defendant FULTON had referred at least one of his own clients to Nix
20 for purposes of illegal gambling.

(b) Defendant FULTON falsely stated that he had never placed a bet online with Nix or Sand Island Sports. In fact, as defendant FULTON then knew, defendant FULTON had received an account number from Nix and placed a series of bets online through Sand Island Sports, including bets on a sporting event involving one of defendant FULTON's clients.

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